

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 84**

March 31, 2011

**SUMMARY OF BILL:** Effective July 1, 2011, requires all inmates to be tested for “blood born pathogens,” including hepatitis B virus (HBV) and human immunodeficiency virus (HIV). Requires all Tennessee correctional system inmates to be tested by January 1, 2012.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$2,690,100/One-Time  
\$5,050,700/Recurring**

**Assumptions:**

- Under current law, HIV testing is only required for offenders 21 years or age or younger.
- On average, 10,900 offenders are admitted to the Department of Correction (DOC) each year. DOC estimates 70 percent (7,630) are tested for HIV and 56 percent (6,104) are tested for hepatitis. Estimated cost per test is \$8 for HIV and \$10 for hepatitis. According to the Department’s 2010 Annual Report, the state-wide average time served for all offenses is four years. An offender with HIV requires treatment for the entire length of incarceration. DOC estimates an offender with hepatitis will require treatment for approximately nine months.
- Each year 3,270 currently untested offenders will be tested for HIV at a cost of \$8 per person for a total of \$26,160 (\$8 x 3,270 offenders). DOC estimates 33 of those offenders will test positive for HIV and will require further testing to determine the appropriate treatment. The additional tests to determine treatment will cost \$215 per offender for an increase in state expenditures of \$7,095 (\$215 x 33 offenders). The average cost of treatment per HIV patient is \$1,609 per month or \$19,308 per year. The cost for treatment for 33 additional offenders will be \$637,164 for one year. The recurring increase in state expenditures will be \$2,581,916 [(\$637,164 per year x 4 years) + \$26,160 initial HIV test + \$7,100 treatment determination test].
- Each year 4,796 currently untested offenders will be tested for hepatitis at a cost of \$10 per offender for an increase in state expenditures of \$47,960 (\$10 x 4,796 offenders). DOC estimates 20 percent (959) of the remaining 4,796 offenders will test positive for hepatitis. The additional tests to determine treatment will cost approximately \$475 per offender resulting in an increase in state expenditures of \$455,525 (\$475 x 959 offenders). The average cost for treatment for a hepatitis patient is \$1,823 per month or \$16,404 for a nine-month period. The Department estimates an additional one percent (48) will require treatment (4,796 x .01). The result is an increase in state expenditures

of \$1,290,877 [(\$16,404 treatment x 48 offenders) + \$455,525 treatment determination tests + \$47,960 initial tests].

- According to DOC, the FY09-10 population was 19,711 offenders. DOC estimates 15 additional offenders from the current population will test positive for HIV. The average cost per offender for treatment is \$78,526. The recurring cost for the Department to treat these additional offenders will be \$1,177,890 (\$78,526 x 15 offenders).
- Total recurring expenditures for the Department to perform the required tests and provide treatment will be \$5,050,683 (\$2,581,916 newly admitted offenders (HIV) + \$1,290,877 newly admitted offenders (HBV) + \$1,177,890 currently admitted offenders (HIV)).
- DOC estimates 30 percent (5,913) of the current population in Tennessee has hepatitis (19,711 x .30 = 5,913) and 82 of those offenders (1.38%) are currently being treated. DOC estimates the additional testing will increase the known number of cases by 100 inmates per month. The total cost per inmate for treatment is \$26,901. The one-time increase in state expenditures to treat these additional offenders will be \$2,690,100 (\$26,901 treatment x 100 offenders).

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/lsc